Department of Justice

FOR IMMEDIATE RELEASE WEDNESDAY, MAY 10, 2000 WWW.USDOJ.GOV AT (202) 514-2007 TDD (202) 514-1888

JUSTICE DEPARTMENT STATEMENT REGARDING MICROSOFT'S PROPOSED REMEDY

WASHINGTON, D.C. – The Department of Justice today issued the following statement after Microsoft filed its proposed remedy:

"Microsoft's proposal is ineffective and filled with loopholes. It would not have prevented Microsoft from engaging in many of the illegal acts found by the District Court, nor would it prevent the company from using its monopoly power in the future to engage in the same kind of illegal behavior to crush new innovations.

"For example, Microsoft's proposal would not prevent: attempts to divide markets with competitors; retaliation against PC manufacturers and software developers that support non-Microsoft technologies; or using tying to require PC manufacturers to ship other Microsoft products with Windows.

"In sum, the proposal fundamentally fails to repair the damage to competition caused by Microsoft's illegal acts, or prevent Microsoft from committing similar violations in the future.

"In contrast, our proposal would address the serious violations found by the court; and it would do so by stimulating competition and innovation, leading to better products and lower prices for consumers. If our proposal is adopted, neither the government nor an entrenched monopolist would decide what is best for consumers."

###